



Control Number: 52226



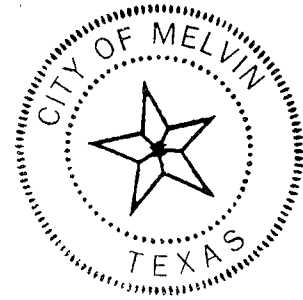
Item Number: 6

Docket Number 52226

RECEIVED

2021 JUL 28 AM 9:01

Attn: PUC of Texas/ Administrative Law Judge,   
 FILING CLERK



Honorable Christina Denmark

Subject: Response to petition filed by City of Melvin Outside Rate Payers

Enclosed: City of Melvin Response/ Proof of Motion from City of Melvin, credit to residential accounts/ Docket 52226

23 July 21, 2021

City of Melvin and Governing bodies voted into place on 18 January 2021, to raise all residential base rate by \$5.00. This took the inside residential from \$39.00 base rate to \$44.00. It raised outside base rate from \$46.00 to \$51.00.

From January 18, 2021, to April 19, 2021, two meetings were canceled. February meeting was canceled due to the freeze and March was canceled due to health reasons from the Mayor and a Councilperson.

The meeting on April 19, 2021, marked 91 days, which the City acknowledges was one day more than the 90 days in which an appeal can be made. However, during this time, any water ratepayer on our system, may come to the office and request a special hearing for a petition to appeal the Councils' vote to raise the water rates. We never received such request within the 90 days.

During the meeting on April 19, 2021, two ratepayers expressed the concern as to how the City of Melvin came to the decision that rates needed to be raised, and how they figured the amount in which it was raised.

1.0

It was explained during this meeting that the rates needed to go up because the City was falling behind on bills in order to keep the system running, due to the possibility of mishandling of funds from previous administration (still looking into missing or misused funds), and also explained that when the City of Melvin put the radium plant in years back, that the rates would go up every few years for the cost of the bond on the radium plant, that was required by the state for higher than normal radiation in our water. The rates increase due to the radium plant was explained to all ratepayers before the process of construction even began in 2017. The last known date in which the rates were raised was in 2019.

The City of Melvin was brought to attention about the dates in which the City was at fault for charging the water on the wrong billing cycle. They also acknowledged the posted agenda for the date the new rates were to be voted on, was placed 26 days, and not the full 30. The City, at the time of the notifications/agendas, being placed in two public areas, one at the city office, and the other at the USPS, did not have enough funds to mail the notices individually.

Therefore, on 14 June 2021 the Councilpersons of The City of Melvin, voted for The City to pay the \$5.00 back to each residential ratepayer for the mishap of the less than thirty-day notification and for placing the new rate on the wrong billing cycle. Due to this all taking place within the 30-day period, the Councilpersons agreed it to be fair to credit back each residential rate payer the \$5.00 that was applied to the base rate for one billing cycle. We have provided copies of it being applied on 28 June 2021.

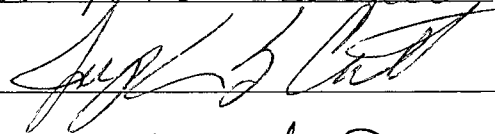
The City was notified, by newly elected council persons, at the end of May, of the steps to take for the corrections of these matters. During this time, the City was already in the process of attempting to fix the matters of applying the rates on the wrong bill and the missing time required for the notification of the meeting that the new rates were voted into place, before the outside rate

payers signed and filed the petition. Furthermore, the ratepayers had yet to file an appeal, or request a special hearing to specifically appeal the rate changes. One ratepayer requested a special hearing, pertaining to the rates, but never a specific appeal, nor did any ratepayers bring a signed petition to the city office or to the governing body before such time the petition was filed to PUC, or since.

The City of Melvin is taking appropriate measures to follow correct procedures to rectify previous administrations' wrongdoing and the mistakes recently made.

7 / 23 / 20 21

Mayor Josephine B. Castillo

Signature 

Mayor Pro-Tem Marlinda Davis

Signature 



3252864222





UNITED STATES POSTAL SERVICE (//)

h@centex.net

OFFICE OF

# INSPECTOR GENERAL



Zip Code

76858

**Is this allegation related to a COVID-19 Stimulus Check?**

No

**Is this allegation related to your election ballot?**

No

**Tracking Number**

**What are the facts? What caused the problem? What are the results of the problem? Please be as specific as possible.**

The City of Melvin was informed on 21 June 2021, during a waterboard hearing, that important information from PUC of Texas should have been received in the mail at or around the 16 June 2021. This is time sensitive, legal information and as of yesterday, 28 June 2021, it has yet to be received.

**Who committed the alleged misconduct/wrongdoing?**

Assumably the mail carrier for Melvin, Texas

**When did the misconduct/wrongdoing occur?**

Wed, 06/16/2021

**Where did the misconduct/wrongdoing occur?**

Melvin, Texas

**How was the misconduct/wrongdoing committed?**

Non-delivery of time-sensitive important legal documentation.

**Do you have first-hand knowledge of the misconduct/wrongdoing?**

yes

**Where can we obtain additional information concerning the misconduct/wrongdoing?**

**Who else might be aware of the misconduct/wrongdoing?**

The City of Melvin City Office employees, Council and Mayor

**Are you willing to be interviewed?**

No

Submit

[< Previous](#)



**Do you have first-hand knowledge of the misconduct/wrongdoing?**

yes

**Where can we obtain additional information concerning the misconduct/wrongdoing?**

**Who else might be aware of the misconduct/wrongdoing?**

The City of Melvin City Office employees, Council and Mayor

**From:** OIG  
**Sent:** Tuesday, June 29, 2021 9:23 AM  
**To:** cityofmelvin@centex.net  
**Subject:** Hotline Complaint

After careful review, we have determined the U.S. Postal Service Consumer and Industry Contact Office is the proper office to handle your concern. We have forwarded this inquiry to your local consumer affairs office for direct response to you.

Please direct all further inquiries to the office noted below. We have no further information to provide now that your concern has been forwarded.

For further information, please contact:

USPS Consumer and Industry Contact Office  
4600 Mark IV Parkway Fort Worth, TX 76161-9631  
(817) 317-3623 or (800) ASK-USPS (800-275-8777)

Thank you for contacting the Postal Service Office of Inspector General Hotline.

Sincerely,  
The OIG Hotline Team **Submitted On** Tuesday, June 29, 2021 09:56  
**Submission ID:** 179292  
**I am a...:** USPS Customer  
**Do you wish to remain anonymous?:** No  
**Do you want confidentiality?:** No  
**Are you willing to be interviewed?:** No  
**Full Name:** City of Melvin  
**Street Address:** 103 W. Hackberry  
**City:** Melvin  
**State:** Texas  
**Zip Code:** 76858  
**Primary Phone Number:** 3252864222  
**Secondary Phone Number:**  
**E-mail Address:** cityofmelvin@centex.net  
**When did the misconduct occur?:** 2021-06-16  
**Who committed the alleged misconduct/wrongdoing?**  
Assumably the mail carrier for Melvin, Texas  
**What are the facts?**

The City of Melvin was informed on 21 June 2021, during a waterboard hearing, that important information from PUC of Texas should have been received in the mail at or around the 16 June 2021. This is time sensitive, legal information and as of yesterday, 28 June 2021, it has yet to be received.

**Where did the misconduct/wrongdoing occur?**

Melvin, Texas

**How was the misconduct/wrongdoing committed?**

Non-delivery of time-sensitive important legal documentation.



Attn: PIC

Acknowledgment was made on 7<sup>th</sup> June, 2021.  
On 14<sup>th</sup> June 2021, Council voted to credit the  
\$5.00 (for one billing cycle) of the raised base rate back  
to each (inside + outside) residential ratepayer. On  
23 June 2021, as seen below, it was credited.

CITY OF MELVIN  
PO BOX 777  
MELVIN TX 76858, 76858  
(325) 286-4222

(Inside)

FIRST-CLASS MAIL  
U.S. POSTAGE PAID

PERMIT NO.

TYPE OF SERVICE	PROPERTY NUMBER	SEQUENCE NUMBER	AMOUNT	DATE
Water	1026700	1021510	5,190	
Garbage			61.08	
LATE FEE			25.82	
Other adjustment			6.96	
Sales Tax			(5.00)	
Credit			2.07	
			(28.44)	

Prev. Credit - Over Payment

38

PROVIDER	ACCOUNT	DATE
1	216	7/15/21
TOTAL DUE UPON RECEIPT		
62.49		68.74

MAIL THIS STUB WITH YOUR PAYMENT

2020 CCR is available upon request. July 1, 2021  
Service From 5/27/2021 TO 6/28/2021 ACCOUNT 216 6/28/21



PERIOD MONTH	DAY	CLASS	TOTAL DUE UPON RECEIPT	LATE CHARGE AFTER DUE DATE	PAY DUE AMOUNT
6	28	1	62.49	6.25	68.74

\* \$5.00 credit applied for 1 month base rate applied 1 month  
early. Residential only.

MELVIN TX 76858

# Reprinted Billing Statement

CITY OF MELVIN  
PO BOX 777  
MELVIN TX 76858, 76858  
(325) 286-4222

  
PO BOX   
MELVIN TX 76858

(Outside)

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Current Meter Reading	160,780	6/28/2021
Prior Meter Reading	158,490	5/27/2021
Usage Amount	2,290	

Due Date: 07/15/21


Service	Charges
Water	51.00
LATE FEE	1.62
Adjustments	-5.00
Previous Balance	62.54
Payments Received —Thank you	-46.00
<b>Balance Due:</b>	<b>\$64.16</b>

Customer Name: 

Account 195

Route Number: 1

Please return this portion of the bill with your payment.

  
OUTSIDE CITY LIMITS

Account #: 195

Billing Date: 7/6/2021

Balance 64.16

Due Date: 07/15/21

Amount Enclosed: \_\_\_\_\_

# Reprinted Billing Statement

**DOCKET NO. 52226**

<b>PETITION BY OUTSIDE CITY</b>	<b>§</b>	<b>PUBLIC UTILITY COMMISSION</b>
<b>RATEPAYERS APPEALING THE</b>	<b>§</b>	
<b>WATER RATES ESTABLISHED BY</b>	<b>§</b>	<b>OF TEXAS</b>
<b>THE CITY OF MELVIN</b>	<b>§</b>	

**ORDER NO. 1  
REQUIRING RESPONSES AND  
ADDRESSING OTHER PROCEDURAL MATTERS**

**I. Petition**

On June 10, 2021, certain ratepayers (Petitioners) of the City of Melvin filed, under Texas Water Code § 13.043(b)(3) and 16 Texas Administrative Code (TAC) § 24.101(c)(3), an appeal of Melvin's rates approved by the Melvin City Council on January 18, 2021, under city ordinance number 314 and effective with the February 2021 billing cycle.

**II. Requiring Comments on the Administrative Completeness of Appeal**

Commission Staff must file comments on the administrative completeness of the petition by July 12, 2021.<sup>1</sup>

**III. Response to Petition by Melvin**

Melvin must file a response to the petition by July 12, 2021.

**IV. Requesting Procedural Schedule**

By July 19, 2021, Melvin, Petitioners, and Commission Staff must confer and file comments on how this proceeding should be processed and propose a procedural schedule.

**V. Certificate of Service Required**

**In all future filings, Petitioners must include a certificate of service in compliance with 16 TAC § 22.74(e). Service of pleadings is typically governed by 16 TAC § 22.74. However, the Commission has issued a Second Order Suspending Rules,<sup>2</sup> which has suspended certain service requirements found in 16 TAC § 22.74. Accordingly, a filing party must provide**

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<sup>1</sup> 16 TAC § 24.8(a) and 16 TAC § 22.4(a).

<sup>2</sup> *Issues Related to the State of Disaster for the Coronavirus Disease*, Docket No. 50664, Second Order Suspending Rules (July 16, 2020).

notice by e-mail of any pleading or document filed. It will be incumbent upon all other parties to obtain a copy of the pleading or document by accessing the Interchange.

#### VI. Filings

Unless otherwise specified, an original and ten copies of documents relating to this proceeding must be filed with the Commission's filing clerk in accordance with 16 Texas Administration Code (TAC) § 22.71. In light of the Commission's Second Order entered in Docket No. 50664, this requirement will be considered satisfied if pleadings are filed with the Commission through the Interchange on the Commission's website as long as the Commission's Second Order is in effect.<sup>3</sup>

Service of pleadings is typically governed by 16 TAC § 22.74. However, as long as the Commission's Second Order remains in effect, all parties must file any pleading or document with the Commission solely through the Interchange on the Commission's website and provide notice, by email, to all other parties that the pleading or document has been filed with the Commission, unless otherwise ordered by the presiding officer. It will be incumbent upon all other parties to obtain a copy of the pleading or document by accessing the Interchange at: <https://interchange.puc.texas.gov>.

All parties are required to provide their current addresses, e-mail addresses, telephone and fax numbers, if available, to all other parties and to the Commission by filing and serving all parties with such information. Each party must provide the Commission and all parties with updated address, e-mail address, telephone, and fax information if such information changes. The e-mail addresses, telephone and fax numbers will be included on the service list for the convenience of the parties. Parties are responsible for updating their own service lists to reflect changed information and the addition of any other parties.

#### VII. Ex Parte Communications

*Ex parte* communications with the administrative law judge (ALJ) are prohibited under 16 TAC § 22.3(b)(2). Parties must communicate with the ALJ only through written documents filed with the Commission's filing clerk and served on all parties. Questions concerning this Order

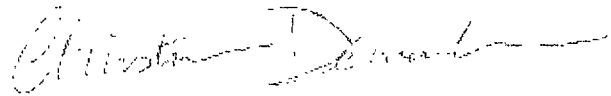
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<sup>3</sup> *Id.*

or any other order must be submitted in writing, filed with the Commission, and served on all parties of record.

**Signed at Austin, Texas the 11th day of June 2021.**

**PUBLIC UTILITY COMMISSION OF TEXAS**

A handwritten signature in cursive script, appearing to read "Christina Denmark", written in dark ink.

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**CHRISTINA DENMARK  
ADMINISTRATIVE LAW JUDGE**